

C. DUKES SCOTT
EXECUTIVE DIRECTOR

P.O. Box 11263
Columbia, S.C. 29211



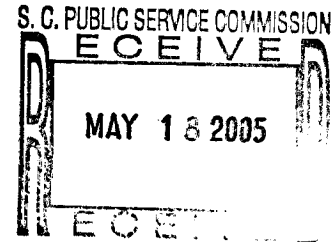
Phone: 803-737-0800
Fax: 803-737-0801

DAN F. ARNETT
CHIEF OF STAFF

May 13, 2005

JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

The Honorable Charles L.A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210



Re: Commission Utilities Matters Action Agenda Item – Docket No. 2005-124-E - Duke Power Company's request for Approval to make Certain Changes to its lighting Service Rate Schedules: Schedule OL(SC), Outdoor Lighting Service, Schedule PL(SC), Street and Public Lighting Service, and Schedule FL(SC), Floodlighting Service

Dear Mr. Terreni,

This is to inform the Public Service Commission that the Office of Regulatory Staff has reviewed the above referenced filing and based on the Application and the following observations ORS has no objection to the Company's requested modifications to these three lighting Schedules. In its Application the Company requests to close certain lumen levels and fixture type (Suburban) to new installations for Schedules OL and PL. In conjunction with these eliminations the Company also proposes to add a new fixture lumen to Schedule OL. This new fixture is currently available under Schedule PL. The Suburban type fixture which was designed some years ago is very inefficient due to its lack of control over the direction of the lighting or the lighted area. This design contributes to light pollution or wasted light and light trespass or obtrusion into an undesirable area such as a neighbor's property. The Company also reports that communities in its service area have implemented ordinances to limit or restrict installation of the Suburban type fixtures. The Company will continue to maintain the existing luminaries for customers utilizing the Suburban type fixtures. In addition to these changes the Company is also requesting to modify and incorporate early termination procedures in the Contract Period sections on Rate Schedules OL, FL, and PL. The proposed change will lower the customer liability for early termination costs by basing these costs on the Company's fixed cost of investment for the remainder of the contract period. The current method of determining early termination costs includes the variable costs of energy and O&M in the fixed monthly rate as well as the fixed cost. This is a customer friendly modification.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,


John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Florence Belser, General Counsel, SC ORS
Len S. Anthony, Deputy General Counsel-Regulatory Affairs PEC
Dr. James Spearman, Senior Technical Advisor, SCPSC